



SBA Information Notice

TO: All Employees

CONTROL NO.: 5000-1089

SUBJECT: New SBA Form 1086
Secondary Participation Guaranty
Agreement

EFFECTIVE: 12/19/2008

The U.S. Small Business Administration (SBA) has modified SBA Form 1086, “Secondary Participation and Guaranty Agreement” to include LIBOR as an acceptable base rate for SBA guaranteed loans. Other minor changes, such as updated fees, have also been made to SBA Form 1086. SBA Form 1086 is the multi-party agreement executed among the lender, the investor (Registered Holder), SBA and SBA’s fiscal and transfer agent, Colson Services Corp. (Colson) when an SBA 7(a) guaranteed loan is sold into the secondary market. Lenders and investors can access the new SBA Form 1086 through Colson’s website <http://www.colsonservices.com/main/forms/form1086.pdf>, or via hyperlink from SBA’s website <http://www.sba.gov/aboutsba/sbaprograms/elending/index.html>.

The new SBA Form 1086 (version December 2008) is effective January 1, 2009. The December 2008 version of SBA Form 1086 must be used for all loans presented for settlement at Colson after December 31, 2008. Loan packages received by Colson by December 31, 2008, can use the old version of SBA Form 1086. All loans received at Colson after December 31, 2008, must use the December 2008 version of SBA Form 1086.

Please address any questions on the new SBA Form 1086, version December 2008, to Marybeth Kerrigan at mary.kerrigan@sba.gov.

Grady B. Hedgespeth
Director
Office of Financial Assistance

EXPIRES: 12/1/2009

PAGE 1 of 1

SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete
Must be accompanied by SBA Form 58